



Evolution and Direction of Water Plan Update 2018

**CA Water Plan Update 2018
Plenary Meeting
October 25, 2016**

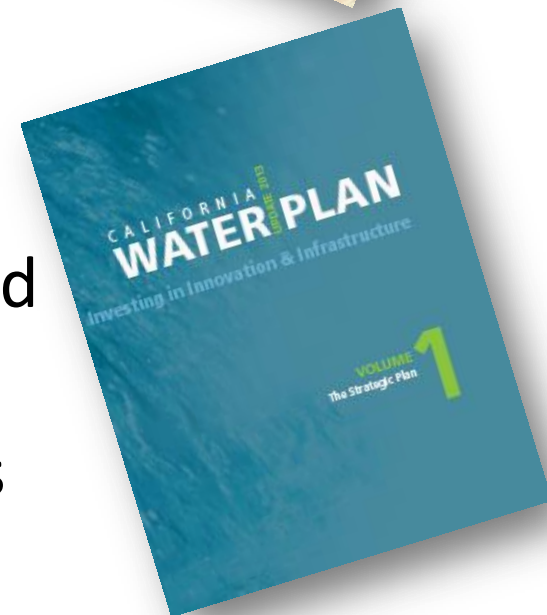
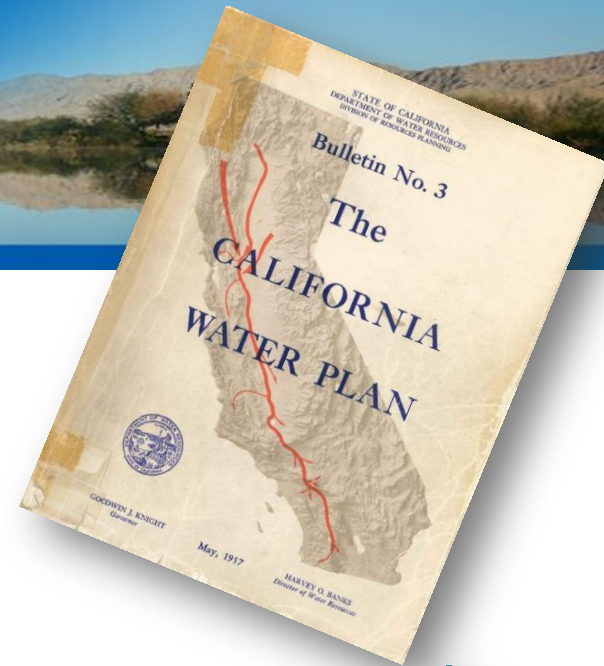
Overview



1. Update 2018 builds from Update 2013
2. Governor's Water Action Plan
3. Six most important intended outcomes
4. Alignment with of State initiatives
5. Filling the gaps
 - Define and contextualize sustainability
 - Progress tracking
6. Overcoming four barriers
7. Key features
8. Anatomy of a State Water Finance Plan
9. Compounding value

The California Water Plan

- First published in 1957 as Bulletin 3
- Water Code requires DWR to update Water Plan every 5 years – updated 10 times
- Strong nexus with Governor's Water Action Plan
- Tool for guiding investment priorities and legislative action
- Update 2013 lays out recommendations -- no mandates or appropriations



Update 2013 Scoped and Framed Integrated Water Management



Update 2013 Framed Why We Should Care Reduced Prosperity for Future Generations

- Greater Drought Impacts - Unreliable Water Supplies
- Increasing Flood Risk
- Groundwater Depletion and Subsidence
- Degraded Water Quality
- Declining Environmental Conditions
- Aging Infrastructure



Low water level at Folsom Lake (January 2014)

Three Themes of Update 2013

- Commit to Integrated Water Management
- Strengthen Government Agency Alignment
- Invest in Innovation and Infrastructure

Integrated Water Management

System flexibility and resiliency
Advocacy from implementers and financiers
Delivery of benefits using fewer resources

Government Agency Alignment

Clarification of state roles
Reduction in implementation time and costs
Efficient achievement of multiple objectives

Investment in Innovation and Infrastructure

Stable and strategic funding
Priority-driven funding decisions
Equitable and innovative finance strategies

Building from Update 2013



Core Water Plan Components:

- Status and trends of CA water management
 - Data collection
 - Development of water balances
 - Weaving information into a meaningful story

- Decision support
 - Technical analysis
 - Future scenarios
 - Alternatives analysis

Building from Update 2013

Update 2013 delivered comprehensive, relevant decision support:

- Assessment of current water resource conditions
- Assessment of current and future risks and challenges
- Multiple future land and water use scenarios
- 12 regional reports
- 350 recommendations
- Extra attention given to:
 - Finance Planning
 - Groundwater, Flood, & Ecosystems
 - Identifying societal values
 - State agency engagement
 - Progress reporting
 - Enhancing data and analysis

Focus of Water Plan Update 2018

Governor's Water Action Plan

California Water Action Plan 2016 Update



Focus of Water Plan Update 2018

Action 10 Governor's Water Action Plan

Recognizes:

- ❑ Finance complexities**
- ❑ Inadequate base budgets**
- ❑ Need for State alignment behind common outcomes**
- ❑ Need to pivot from reactionary to proactive**
- ❑ Prioritization is critical**
- ❑ Need to cultivate stable reliable sources of funding**

Focus of Water Plan Update 2018

Action 10 of Governor's Water Action Plan

Calls for:

- ❑ Removal of barriers to local and State funding [of water management]**
- ❑ Development of a water financing strategy**
- ❑ Analysis of user and polluter fees**

Focus of Water Plan Update 2018

Intended Outcomes



- 1. Put California on a trajectory toward sustainability**
- 2. Enhance effectiveness of policy and investment**
- 3. Track progress toward sustainability**

Focus of Water Plan Update 2018

Specific Outcomes

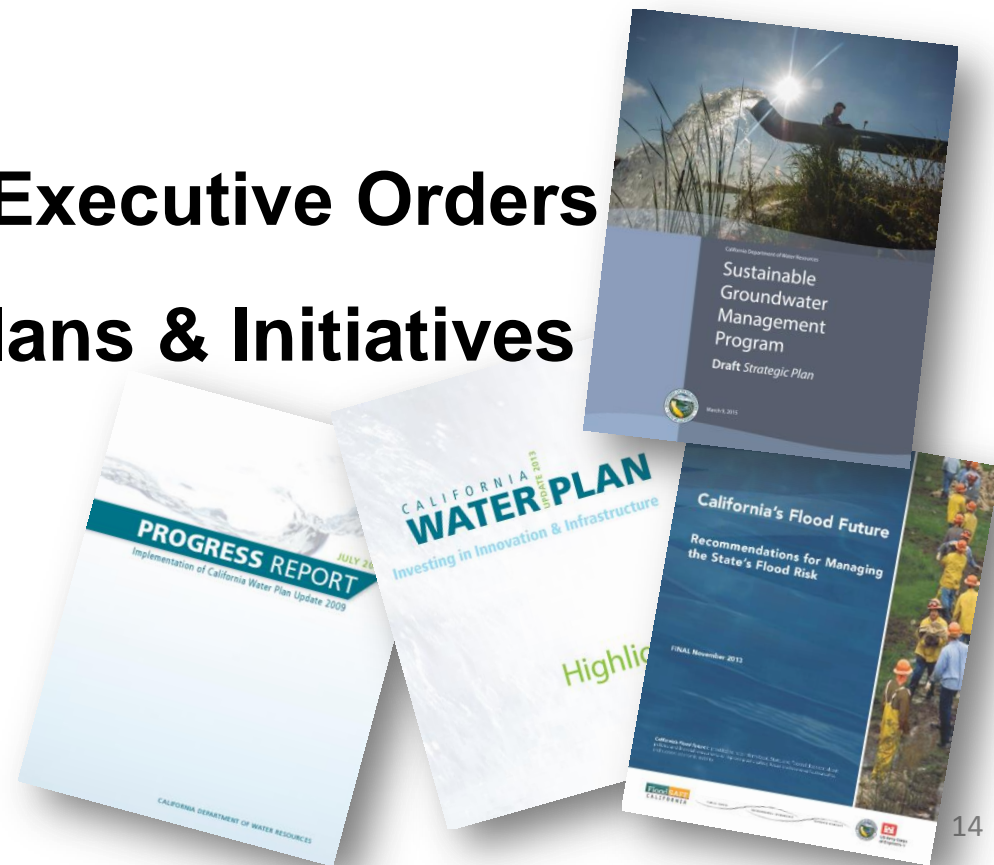
- 4. Prepare 5-year policy and investment strategy**
- 5. Provide a finance plan for stable funding**



Focus of Water Plan Update 2018

Aligning With Other State Sustainability Initiatives

- ❑ **Sustainable Groundwater Management Act**
- ❑ **Proposition 1**
- ❑ **Governor's Drought Executive Orders**
- ❑ **Alignment of State Plans & Initiatives**



Focus of Water Plan Update 2018

More Must be Done



- ☐ **Flood Risk**
- ☐ **Unreliable water supplies**
- ☐ **Continued depletion and degradation of groundwater resources**
- ☐ **Habitat and species declines**

Focus of Water Plan Update 2018

Defining Sustainability

Sustainability is dynamic (journey not a destination)

- ❑ **Path toward sustainability is not paved with project-scale tweaks to the current system**
- ❑ **We must dispel notion that there are a handful of “problems” that can be “solved”**
- ❑ **Progress must be continuously tracked and course-corrected**

Focus of Water Plan Update 2018

Defining Sustainability

Water sustainability is a dynamic balance among:

California's Societal Values

Public Health and Safety



Healthy Economy



Thriving Ecosystems



Enriching Experiences



Focus of Water Plan Update 2018

Barriers to Sustainability



- ❑ **Shared Intent/Understanding of Sustainability**
- ❑ **Governance**
- ❑ **Finance**
- ❑ **Regulations and Permitting Statutory Framework** (e.g., single species mgmt.)

Focus of Water Plan Update 2018

Key Features

Greater effectiveness of State [water] investment and policy

- **Alignment of water initiatives within a prioritized 5-year State water policy and investment strategy and finance plan**
- **Clear articulation of societal values, intended outcomes (shared intent)**
- **Structured and consistent prioritization method**
- **Practical ways to measure progress**



Anatomy of a Finance Plan

- 1. Shared Intended Outcomes**
- 2. Policy and Actions Assessments**
- 3. Existing Funding**
- 4. Funding Gaps**
- 5. State Roles and Partnerships**
- 6. Funding Demands**
- 7. Effective Funding Mechanisms**
- 8. Return on Investments**

Focus of Water Plan Update 2018

Value of Approach Compounds Over time

CALIFORNIA WATER PLAN IMPLEMENTATION CYCLE

